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OPTIONAL FORM 41

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87-2394x

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Working Paper
4 November 1987

NOTE FOR: DDA
DD/OS/P&TS

25X1 FROM: OCA

SUBJECT: State Appropriations Act.

Attached are pages from Senate Report on the State
Appropriations ACT, HR 2763. Note on page 55 (highlighted)
those items affecting the embassy Security.

25X1



cc: EXO/OS

~~CONFIDENTIAL~~

State Bill
P. 52 Calendar No. 345

100TH CONGRESS }
 1st Session

SENATE

{ REPORT
 100-182

DEPARTMENTS OF COMMERCE, JUSTICE, AND STATE, THE
 JUDICIARY, AND RELATED AGENCIES APPROPRIATION
 BILL, 1988

SEPTEMBER 25, 1987—Ordered to be printed

Mr. HOLLINGS, from the Committee on Appropriations,
 submitted the following

REPORT

[To accompany H.R. 2763]

The Committee on Appropriations, to which was referred the bill (H.R. 2763) making appropriations for the Departments of Commerce, Justice, and State, the Judiciary, and related agencies for the fiscal year ending September 30, 1988, and for other purposes, reports the same to the Senate with various amendments and presents herewith information relative to the changes made.

AMOUNT IN NEW BUDGET (OBLIGATIONAL) AUTHORITY

| | |
|---|------------------|
| Amount of bill as passed by the House..... | \$13,896,501,000 |
| Amount of Senate bill above House..... | 378,621,933 |
| Total bill as reported to Senate..... | 14,275,122,933 |
| Amount of appropriations, 1987..... | 13,459,625,007 |
| Amount of budget estimates, 1988, as amended..... | 14,815,903,000 |
| The bill as reported to the Senate: | |
| Above the appropriations for 1987..... | 815,497,926 |
| Under the estimates for 1988..... | 540,780,067 |

TITLE III—THE DEPARTMENT OF STATE

The Committee recommends a total of \$2,519,126,000 for fiscal year 1988 for the Department of State. This amount is \$869,681,000 less than the total requested for fiscal year 1988 and \$163,977,831 under the appropriations enacted to date for fiscal year 1987. The recommendation is \$61,453,000 less than the amount approved by the House.

ADMINISTRATION OF FOREIGN AFFAIRS

SALARIES AND EXPENSES

| | |
|-----------------------------------|-------------|
| 1987 appropriations to date | \$1,612,384 |
| 1988 budget estimate | 1,860,458 |
| House allowance | 1,688,600 |
| Committee recommendation | 1,632,840 |

The Committee recommends an appropriation of \$1,632,840,000. This amount is \$227,619,000 less than the budget request and \$20,456,000 more than 1987 appropriations to date.

This appropriation provides the funds necessary for the formulation and execution of the foreign policy of the United States, including conduct of diplomatic and consular relations with foreign countries, diplomatic relations with international organizations, and related activities.

The Committee recommendation does not include funds for any program increases requested for fiscal year 1988. For the diplomatic and ongoing operations of the Department, \$1,355,540,000 is provided. In addition, the Committee expects that a significant portion of \$61,750,000 appropriated in the Supplemental Appropriations Act, 1987, will be available to offset 1988 program costs.

The Committee recommendation assumes the House level of \$303,000,000 for the Diplomatic Security Program, of which \$277,000,000 consists of new budget authority. The remaining \$25,700,000 will be derived from funds appropriated in the Urgent Supplemental Appropriations Act, 1986, for the alternate automated data processing [ADP] center. The obligation of these funds was subject to approval of a plan for the new center pursuant to a reprogramming request. Where such a plan has been submitted, the Committee believes the maintenance of ongoing security programs is a higher priority. The Committee will entertain a budget request for the alternate ADP center if one is submitted.

The Committee intends that the level of funding for counterterrorism research and development not exceed \$7,000,000, and that the

DEPARTMENT OF STATE

ds a total of \$2,519,126,000 for fiscal year state. This amount is \$869,681,000 less than year 1988 and \$163,977,831 under the ap- for fiscal year 1987. The recommendation amount approved by the House.

TION OF FOREIGN AFFAIRS

RIES AND EXPENSES

| | |
|-------|-----------------|
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| | 1,860,459,000 |
| | 1,688,600,000 |
| | 1,632,840,000 |

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funding level be subject to the concurrence of the Assistant Secretary for Diplomatic Security and the Ambassador at Large for Counterterrorism. In addition, the Committee approves the addition of one class of 48 diplomatic security officers, to be funded within the total provided for security.

The Committee has stricken language proposed by the House which would prohibit the expenditure of funds for the Office of Public Diplomacy for Latin America and the Caribbean.

The Committee believes that a broad, coordinated research program is required to identify and evaluate the appropriate materials, techniques, and methods that can be used to increase the survivability of U.S. facilities abroad. Once such improvements in security structures are identified, the cost of construction is expected to be significantly lower. The Committee, therefore, directs that funds appropriated for counterterrorism research and development may be used to support research at universities and national laboratories in the United States that presently engage in similar research and have a proven track record of success in this field.

The Committee acknowledges efforts to promote international sales of a variety of vegetable oils, particularly those that are not price supported. The Committee directs the Department of State to continue to work in conjunction with the Department of Agriculture to assure timely approval of pending Export Enhancement Program proposals for sales of vegetable oils to Mediterranean basin countries.

REPRESENTATION ALLOWANCES

| | |
|-----------------------------------|-------------|
| 1987 appropriations to date | \$4,460,000 |
| 1988 budget estimate | 4,500,000 |
| House allowance | 4,000,000 |
| Committee recommendation | 4,500,000 |

The Committee recommends an appropriation of \$4,500,000. This is an increase of \$40,000 from the 1987 appropriations to date, \$500,000 above a House allowance, and the same as the budget request.

Representation allowances provide partial reimbursement to ambassadors, principal officers, and other foreign service officers for costs incurred for official entertainment. Official entertainment helps to establish and maintain close personal contacts abroad with local government officials and with influential members of the local community. Representation allowances are authorized by section 905 of the Foreign Service Act of 1980.

PROTECTION OF FOREIGN MISSIONS AND OFFICIALS

| | |
|-----------------------------------|-------------|
| 1987 appropriations to date | \$9,100,000 |
| 1988 budget estimate | 9,445,000 |
| House allowance | 9,000,000 |
| Committee recommendation | 9,000,000 |

The Committee recommends \$9,000,000 for this account. The recommendation is \$445,000 below the budget estimate and the same as the House allowance. It is \$100,000 below the allowance in the current fiscal year.

This appropriation funds two programs. The first is to reimburse the city of New York for protection of foreign missions and officials accredited to the United Nations and other international organizations located there. The second, originally authorized by the Foreign Missions Act of 1982, provides for the protection in extraordinary circumstances of foreign missions and officials accredited to the United States. The protection must be authorized by the Secretary of State and can be provided directly, by contract or through State or local authorities.

ACQUISITION AND MAINTENANCE OF BUILDINGS ABROAD

| | |
|-----------------------------------|---------------|
| 1987 appropriations to date | \$449,480,000 |
| 1988 budget estimate | 762,279,000 |
| House allowance | 313,100,000 |
| Committee recommendation | 288,100,000 |

The Committee recommends an appropriation of \$288,100,000, a decrease of \$474,179,000 from the budget request and \$25,000,000 below the amount allowed by the House. This amount is \$161,380,000 less than the total appropriation for fiscal year 1987.

Funds in this appropriation are used for the construction or acquisition and maintenance of office space and support facilities for the U.S. foreign affairs agencies, as well as living quarters for American staff at diplomatic and consular posts where housing problems exist.

The Committee recommendation includes funds to construct a new chancery complex in El Salvador to replace the facility destroyed by an earthquake in October 1986 (\$61,103,000). Funds are also provided to continue rehabilitation of staff apartments at the Plittersdorf complex in Bonn, West Germany. Funds for other capital projects have not been included, but the Committee directs the Department to accomplish the repainting of the exterior french windows, shutters, and balconies on the garden side of the Ambassador's residence in Paris within the amount available.

The Committee expects that \$25,000,000 previously appropriated for a chancery in Doha, Qatar, will be reprogrammed to support functional programs. The Department no longer intends to pursue this project. In addition, the Committee notes that savings have occurred in site acquisition costs and anticipates that \$16,837,000 will be available to offset other costs in fiscal year 1988.

The Committee requests a report from the State Department on the practice of single source purchasing of fire detection equipment and systems for installation into U.S. Embassies. The report should address this practice as it appears to restrict competitive, and thus lower cost, bidding, and acquisition of equipment to perform the same functions.

MOSCOW EMBASSY

Investigations by the Committees on Appropriations and Foreign Relations, and the Senate Select Committee on Intelligence revealed overwhelming evidence that a highly organized and sophisticated effort by the Soviet Union had compromised the technical security of the chan-

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two programs. The first is to reimburse the cost of foreign missions and officials actually authorized by the Foreign Missions protection in extraordinary circumstances accredited to the United States. The second is by the Secretary of State and can be carried out through State or local authorities.

MAINTENANCE OF BUILDINGS ABROAD

| | |
|-------|---------------|
| | \$449,480,000 |
| | 762,279,000 |
| | 313,100,000 |
| | 288,100,000 |

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Funds are used for the construction or acquisition of space and support facilities for the U.S. as living quarters for American staff at locations where housing problems exist.

The program includes funds to construct a new building to replace the facility destroyed by an earthquake (\$61,103,000). Funds are also provided to repair apartments at the Plittersdorf complex in Berlin. For other capital projects have not been completed, the Department is directed to accomplish the repair of windows, shutters, and balconies on the Ambassador's residence in Paris within the

\$25,000,000 previously appropriated for the program be reprogrammed to support functional projects. The Secretary intends to pursue this project. In that savings have occurred in site acquisition, \$16,837,000 will be available to offset

the report from the State Department on the replacement of fire detection equipment and in U.S. Embassies. The report should address the need for competitive, and thus lower cost, equipment to perform the same functions

NEW EMBASSY

Committees on Appropriations and Foreign Relations. The committee on Intelligence revealed over the years a well organized and sophisticated effort by the State Department to improve the technical security of the chan-

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cery building of the new Embassy complex in Moscow. The Committee finds that this evidence demands that the chancery be destroyed and that planning be started to construct a secure facility. In addition, the Committee believes that the Department of State's embassy construction program must be strengthened.

The Committee recommends language in the bill to carry out a number of recommendations which parallel those of the Select Committee on Intelligence, as follows:

One, prohibits further obligation of any funds for construction efforts associated with the new office building, except as necessary to demolish the upper eight floors of the building. This prohibition does not cover expenditures necessary for the continued operation and maintenance of the heating, plumbing, and electrical facilities located in the basement of the chancery nor does it prohibit expenditures for security survey work conducted in the new chancery.

Two, modifies section 154 of the Foreign Relations Authorization Act, fiscal years 1986 and 1987, to ensure that the Secretary of State does not have the flexibility to unilaterally allow the Soviet Union to occupy its new chancery in Washington, DC, until (1) a suitable new office building is available in Moscow; and (2) the Soviets have reimbursed the United States for damages incurred as a result of the present construction in Moscow.

Three, requires the State Department to develop a plan to establish essential parity in numbers, types, and quality of buildings in capital cities.

Four, calls for a hiatus on new embassy construction until the management of overseas embassy construction is organized under an Under Secretary of State who shall also have responsibility for the Office of Foreign Missions and the Bureau of Diplomatic Security.

Five, requires the Secretary of State and Director of Central Intelligence to convene a panel of experts to review and analyze the plans, contracts, and protocols of any construction projects of the Office of Foreign Buildings.

EMERGENCIES IN THE DIPLOMATIC AND CONSULAR SERVICE

| | |
|-----------------------------------|-------------|
| 1987 appropriations to date | \$4,000,000 |
| 1988 budget estimate | 4,500,000 |
| House allowance | 4,000,000 |
| Committee recommendation | 4,500,000 |

The Committee recommends an appropriation of \$4,500,000. This is the same as the budget request and \$500,000 above the House allowance. It is \$500,000 more than the 1987 appropriation.

This appropriation is required in order for the Secretary of State to meet unforeseen emergencies arising in the Diplomatic and Consular Service. These funds provide for relief and repatriation loans for destitute American citizens abroad and are available for other emergencies in the Department of State.